

AMENDED IN ASSEMBLY APRIL 1, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2374**

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**Introduced by Assembly Member Reyes**  
*(Coauthors: Assembly Members Longville, Pavley, and Washington)*

February 21, 2002

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An act to add and repeal Sections 20901.5 and 21224.5 of the Government Code, relating to state employees' retirement, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2374, as amended, Reyes. State—~~employees' retirement employees: early retirement benefits.~~

The Public Employees' Retirement Law prescribes retirement benefits for, among others, state members of the Public Employees Retirement System, based on years of service and age at retirement. ~~Under existing law, if the Governor, by executive order, determines that specified conditions exist and the best interests of the state would be served by encouraging retirement of state employees, an additional two years of service may be credited to specified state members of the system who retire and if other conditions are met.~~

This bill would provide that ~~a state members~~ *member* of the system who ~~are~~ *is* employed by the state, ~~are~~ *is* eligible to retire, ~~and retire retires~~ during the 2002–03 or 2003–04 fiscal year ~~shall receive credit for one additional year of age and service if the member, and~~ returns to his or her former *department or agency in state employment* after retirement on a part-time basis for a period of 24 months, as specified,

shall receive credit for one additional year of age and service, or 2 additional years of service, as specified, and shall have his or her retirement benefits recalculated prospectively.

The bill would declare that it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 20901.5 is added to the Government  
2 Code, to read:

3 20901.5. (a) Notwithstanding any other provisions of this  
4 ~~part, an additional one year of service and one year of age shall be~~  
5 ~~credited to state members, other than school members, if the~~  
6 ~~following conditions exist:~~

7 ~~(1) The member is at least 55 years of age, meets the service~~  
8 ~~requirements of Section 21060 or Section 21074, and retires~~  
9 ~~between July 1, 2002, and June 30, 2004.~~

10 ~~(2) The member immediately returns to his or her former~~  
11 ~~position in state employment on a part-time basis for a period of~~  
12 ~~24 months as provided in Section 21224.5. If, for any reason, the~~  
13 ~~member discontinues his or her employment during that period,~~  
14 ~~the member shall forfeit the additional age and service credit~~  
15 ~~acquired under this section and the member's retirement~~  
16 ~~allowance shall be recalculated prospectively.~~

17 ~~(b) As used in this section, "member" means a state employee~~  
18 ~~who is employed at the time of his or her retirement in a job~~  
19 ~~classification, department, or other organizational unit designated~~  
20 ~~by the appointing power, as defined in Section 18524. *part, a state*~~  
21 ~~*member described in subdivision (b) shall be credited with an*~~  
22 ~~*additional one year of service and one year of age, or an additional*~~  
23 ~~*two years of service if the member, at the time of his or her*~~  
24 ~~*retirement, had attained the maximum age under the retirement*~~  
25 ~~*formula to which he or she is subject, and the member's retirement*~~  
26 ~~*allowance shall be recalculated prospectively.*~~

27 ~~(b) This section shall apply to a state member who satisfies all~~  
28 ~~of the following conditions:~~



1 (1) *The member meets the age and service requirements of*  
2 *Section 21060, 21074, or 21362.2, as applicable, and retires*  
3 *between July 1, 2002, and June 30, 2004.*

4 (2) *The member is employed at the time of his or her retirement*  
5 *in a job classification, department, or other organizational unit*  
6 *designated by the appointing power, as defined in Section 18524.*

7 (3) *The member, immediately upon retirement, returns to his or*  
8 *her former department or agency in state employment on a*  
9 *part-time basis for a period of 24 months as provided in Section*  
10 *21224.5.*

11 (c) Any member who qualifies under this section, upon  
12 subsequent reentry to this system shall forfeit the service and age  
13 credit acquired under this section.

14 (d) This section shall become inoperative on June 30, 2004,  
15 and, as of January 1, 2005, is repealed, unless a later enacted  
16 statute, that becomes operative on or before January 1, 2005,  
17 deletes or extends the dates on which it becomes inoperative and  
18 is repealed.

19 SEC. 2. Section 21224.5 is added to the Government Code, to  
20 read:

21 21224.5. (a) A state member who retired on or after ~~January~~  
22 *July 1, 2002, may serve without reinstatement from retirement or*  
23 *loss or interruption of benefits provided by this system upon*  
24 *appointment by the appointing power of a state agency to the*  
25 ~~position held by the retired state member~~ *department or agency in*  
26 *which the retired state member was employed immediately prior*  
27 *to his or her retirement. These appointments shall be for 24 months*  
28 ~~and shall not exceed~~ *be for at least 940 hours and not more than*  
29 *960 hours in any fiscal year. The rate of pay for the employment*  
30 *may not be less than the minimum nor exceed that paid by the*  
31 *employer to other employees performing comparable duties.*

32 (b) This section shall become inoperative on June 30, 2004,  
33 and, as of January 1, 2005, is repealed, unless a later enacted statute  
34 that is enacted before January 1, 2005, deletes or extends the dates  
35 on which it becomes inoperative and is repealed.

36 SEC. 3. This act is an urgency statute necessary for the  
37 immediate preservation of the public peace, health, or safety  
38 within the meaning of Article IV of the Constitution and shall go  
39 into immediate effect. The facts constituting the necessity are:



1 In order for the provisions of this act to be applicable in the  
2 2002–03 fiscal year, and thereby facilitate the orderly  
3 administration of state government at the earliest possible time, it  
4 is necessary that this act take effect immediately.

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